

Public School Support

Historical Summary

OPERATING BUDGET	FY 2005 Total App	FY 2005 Actual	FY 2006 Approp	FY 2007 Request	FY 2007 Gov Rec
BY DIVISION					
Administrators	74,401,000	74,321,000	76,845,500	81,659,700	80,545,500
Teachers	685,608,600	685,556,600	699,978,600	740,942,300	742,285,100
Operations	276,244,500	275,918,400	283,113,100	291,175,600	290,033,500
Children's Programs	118,040,200	128,031,500	123,955,600	137,696,100	133,046,100
Facilities	11,300,000	11,300,000	13,450,000	21,372,900	16,072,900
Total:	1,165,594,300	1,175,127,500	1,197,342,800	1,272,846,600	1,261,983,100
BY FUND CATEGORY					
General	964,706,500	964,706,500	987,110,000	1,046,829,800	1,035,366,300
Dedicated	42,907,800	42,599,500	45,232,800	51,016,800	51,616,800
Federal	157,980,000	167,821,500	165,000,000	175,000,000	175,000,000
Total:	1,165,594,300	1,175,127,500	1,197,342,800	1,272,846,600	1,261,983,100
Percent Change:		0.8%	1.9%	6.3%	5.4%
BY OBJECT OF EXPENDITURE					
Lump Sum	1,165,594,300	1,175,127,500	1,197,342,800	1,272,846,600	1,261,983,100

Department Description

Provide state and federal funding to local school districts and public charter schools for public education, grades K-12.

Public School Support Agency Profile

Analyst: Hancock

Comparison of Public School Budget Proposals

	FY 2005 APPROP.	FY 2006 APPROP.	FY 2007 REQUEST	FY 2007 GOV. REC.
I. STATE APPROPRIATION				
A. Sources of Funds				
1. General Fund	\$964,706,500	\$987,110,000	\$1,046,829,800	\$1,035,366,300
<i>percent change from prior year:</i>	2.3%	2.3%	6.0%	4.9%
2. Dedicated Funds	\$42,907,800	\$45,232,800	\$51,016,800	\$51,616,800
3. Federal Funds	\$157,980,000	\$165,000,000	\$175,000,000	\$175,000,000
4. TOTAL STATE APPROPRIATIONS	\$1,165,594,300	\$1,197,342,800	\$1,272,846,600	\$1,261,983,100
<i>percent change from prior year:</i>	1.1%	2.7%	6.3%	5.4%
II. PROGRAM DISTRIBUTION				
A. Statutory Requirements				
1. Property Tax Replacement	\$75,000,000	\$75,000,000	\$75,000,000	\$75,000,000
2. Transportation	\$57,600,000	\$60,521,600	\$62,742,000	\$62,742,000
3. Border Contracts	\$800,000	\$800,000	\$800,000	\$800,000
4. Exceptional Contracts/Tuition Equivalents	\$5,000,000	\$5,750,000	\$5,750,000	\$5,750,000
5. Floor	\$1,300,000	\$395,500	\$0	\$0
6. Program Adjustments	\$300,000	\$400,000	\$435,000	\$435,000
7. Salary-based Apportionment	\$684,339,900	\$697,958,200	\$734,471,200	\$736,730,400
8. Teacher Incentive Award	\$696,400	\$696,400	\$313,200	\$313,200
9. State Paid Employee Benefits	\$124,704,900	\$126,161,700	\$137,228,900	\$133,156,200
10. Early Retirement Program	\$4,000,000	\$4,600,000	\$4,750,000	\$4,750,000
11. Bond Levy Equalization	\$2,000,000	\$4,527,500	\$5,300,000	\$5,300,000
12. Idaho Safe & Drug-Free Schools	\$4,700,000	\$4,700,000	\$6,300,000	\$6,300,000
13. Sub-total -- Statutory Requirements	\$960,441,200	\$981,510,900	\$1,033,090,300	\$1,031,276,800
B. Other Program Distributions				
1. Technology & Remediation	\$8,400,000	\$9,500,000	\$9,500,000	\$9,500,000
2. Idaho Reading Initiative	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000
3. Limited English Proficiency (LEP)	\$4,850,000	\$5,060,000	\$5,290,000	\$5,290,000
4. High School Reform	\$0	\$0	\$1,450,000	\$1,450,000
5. Gifted & Talented	\$500,000	\$500,000	\$500,000	\$500,000
6. Idaho Digital Learning Academy	\$450,000	\$900,000	\$900,000	\$900,000
7. Physical Education Initiative	\$0	\$0	\$5,600,000	\$1,850,000
8. School Facilities Funding (Lottery)	\$8,922,500	\$8,922,500	\$16,072,900	\$10,772,900
9. HB 315 Facilities Transfer (Whitepine)	\$377,500	\$0	\$0	\$0
10. Federal Funds to Local School Districts	\$157,980,000	\$165,000,000	\$175,000,000	\$175,000,000
11. Sub-total -- Other Program Distributions	\$184,280,000	\$192,682,500	\$217,112,900	\$208,062,900
TOTAL CATEGORICAL EXPENDITURES	\$1,144,721,200	\$1,174,193,400	\$1,250,203,200	\$1,239,339,700
III. PUBLIC EDUCATION STABILIZATION FUNDS	\$0	\$0	\$0	\$0
IV. STATE DISCRETIONARY FUNDS	\$20,873,100	\$23,149,400	\$22,643,400	\$22,643,400
V. ESTIMATED SUPPORT UNITS	12,870	13,150	13,450	13,450
VI. STATE DISCRETIONARY \$/SUPPORT UNIT	\$1,622	\$1,760	\$1,684	\$1,684
VII. LOCAL DISCRETIONARY \$/SUPPORT UNIT	\$22,828	\$22,935	\$24,246	\$24,246
VIII. TOTAL DISCRETIONARY \$/SUPPORT UNIT	\$24,450	\$24,695	\$25,930	\$25,930
<i>percent change from prior year:</i>	0.0%	1.0%	5.0%	5.0%

Public School Support Agency Profile

Analyst: Hancock

Public Schools Funding Formula

At the core of Idaho's Public Schools funding system is a formula that determines the amount of money that each school district is entitled to receive. This formula multiplies the four factors shown below:

$$\begin{array}{r} \text{Support Units} \\ \text{Staff Allowance} \\ \text{Base Salary} \\ \text{Experience/Education Index} \end{array} \begin{array}{l} \text{times} \\ \text{times} \\ \text{times} \end{array}$$

The product of the above calculation, which is done for each school district in the state, is called the district's "salary-based apportionment". Other funds are then added to each district's salary-based apportionment, as shown below:

$$\begin{array}{r} \text{Salary-Based Apportionment} \\ \text{Local M\&O Levy Funds} \\ \text{State Property Tax Replacement Funds} \\ \text{State Discretionary Funds} \end{array} \begin{array}{l} \text{plus} \\ \text{plus} \\ \text{plus} \end{array}$$

The sum of the above calculation, reflects the amount of formula funding that each school district is entitled to receive. The last part of the formula, which is called "equalization", determines how much of a district's formula funding will come from the state. This formula is shown below:

$$\begin{array}{r} \text{Formula Funding per Support Unit} \\ \text{Local M\&O Levy and State Property Tax} \\ \text{Replacement Funds per Support Unit} \end{array} \begin{array}{l} \text{minus} \end{array}$$

The result of the above calculation is the amount of formula funding that will be provided by the state. If the result is a negative number, which happens in a handful of school districts with extremely high property values, then the state provides zero formula dollars, subject to the provisions of "Flooring". This equalization calculation ensures that the state provides relatively greater support to school districts that are property-poor, and less to those that are property-rich. This, in turn, ensures that children in Idaho will receive equal access to a quality education, at least insofar as funding is concerned, regardless of whether they live in a poor or wealthy area of the state.

On the facing page you will find a list of many of the terms used on this page.

Public School Support Agency Profile

Analyst: Hancock

Public Schools Funding Formula Terminology

Support Units are the foundation of how schools in Idaho are funded, and are often thought of and referred to as "classroom units". The state does not fund school districts based on the number of students, it funds them based on the number of support units. A school district generates support units, however, based on the number of students it has in average daily attendance in various categories, such as kindergarten, elementary, and secondary. These student counts are then divided by a series of divisors found in Section 33-1002, Idaho Code. For example, a school district with 440 students categorized as secondary students (grades 7-12) would be assigned a divisor of 16.0, which means that school district would receive 27.5 support units of funding. School districts with more students receive larger divisors, while smaller districts receive smaller divisors. As a result, a small district needs fewer students to generate a support unit of funding than a large district. Some of the reasons for this arrangement include that larger districts can usually operate more efficiently, with greater economies of scale than small districts, and that small districts still need to be able to offer students a thorough, comprehensive education, in spite of their small size.

Staff Allowance establishes the number of staff positions to be funded by each support unit. Section 33-1004, Idaho Code sets these levels at 1.1 instructional staff, 0.075 administrative staff, and 0.375 classified staff. The state funds more than one teaching position per support unit, or "classroom", because there are a number of positions categorized as instructional that are not regular classroom teachers. These can include school counselors, librarians, and special education instructors.

A **Base Salary** is assigned for each of the staff categories. These base salary figures are \$18,648 for classified staff, \$33,760 for administrative staff, and \$23,210 for instructional staff.

The **experience/education index** provides for an escalating series of salary multipliers for instructional and administrative staff (the classified staff portion of the formula ends with the base salary funding component). This component of the formula provides more funding for teachers and administrators with more experience and education than it does for those that are less experienced and educated. This table of multipliers, which runs from zero years of experience to 13+ years, and includes seven different levels of educational achievement, can be found in Section 33-1004A, Idaho Code. Because of the way the table appears in Idaho Code, years of experience are often referred to as "steps", and educational achievement as "lanes". Multipliers range from 1.0000 to 2.0126. Whatever multiplier a staff member receives is multiplied against the base salary for that type of staff. For example, an administrative staff member with 15 years of experience and a master's degree, plus 12 additional college credits, would receive a multiplier of 1.7371, and would be allocated \$58,644. A teacher with the same profile would receive an allocation of \$40,318, since instructional staff have a lower base salary than administrative staff. Instructional staff, however, can never be allocated less than \$27,500, regardless of low multipliers, since the state funds each instructional position at a minimum of \$27,500, which matches and fully funds the state mandate that teachers in Idaho be paid a minimum of \$27,500.

Salary-Based Apportionment is the result of the four-part funding formula described above, and on the previous page.

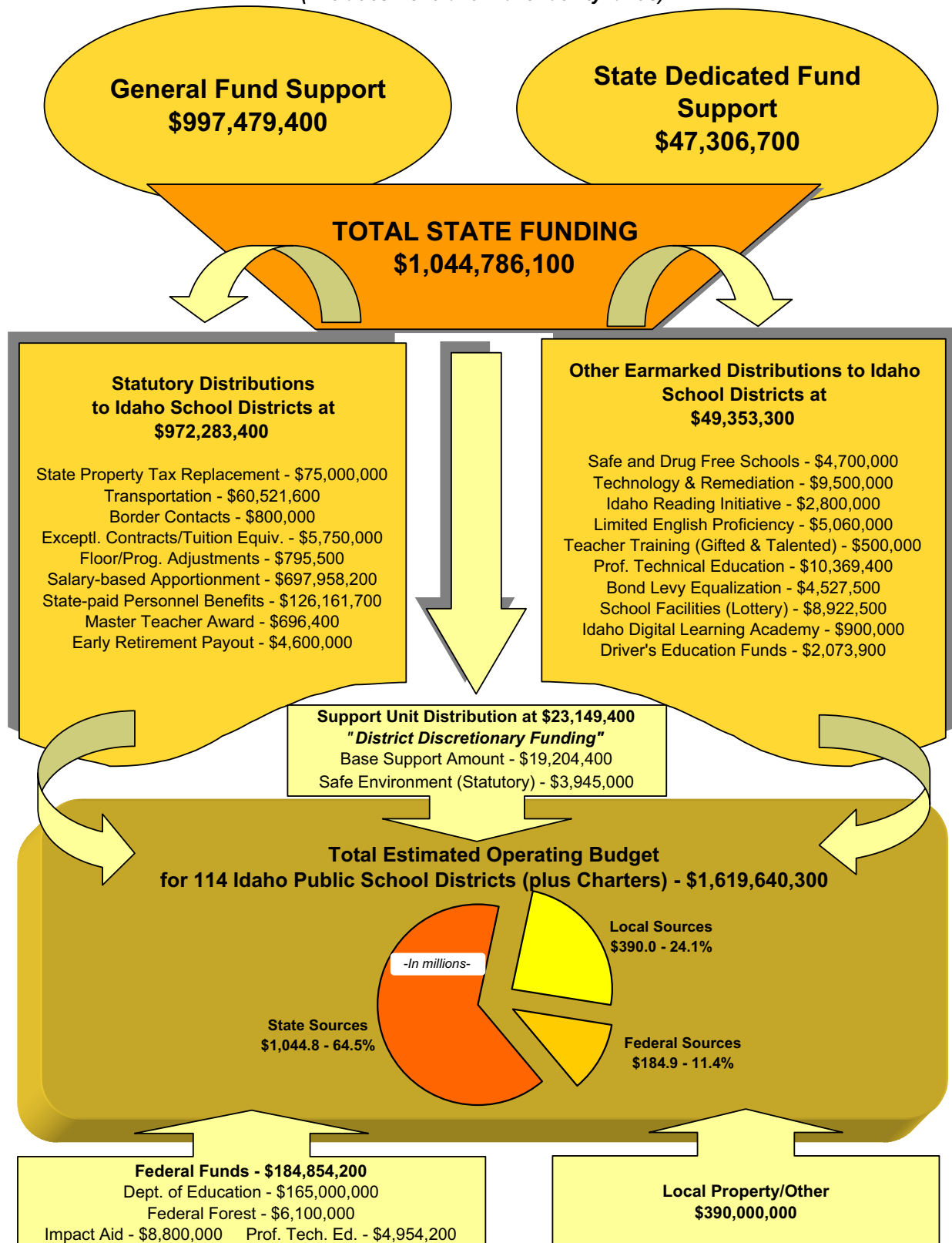
Discretionary Funds from the state are those dollars appropriated for public schools that are not needed to satisfy either the formula funding requirements of Idaho Code, or line-item earmarks in the appropriation bill. These dollars are added to salary-based apportionment funds and are a part of each district's equalization formula. Discretionary funds can be spent in any way the district chooses, based on locally-established priorities.

Equalization is the process by which the state subtracts maintenance and operations levy funds from the total funding that a school district is entitled to receive, under the formula. Property-wealthy districts, as a result, have a larger figure subtracted from the total. Since the state funds the balance, this leaves wealthy districts with a smaller state contribution. Property-poor districts, conversely, have a larger balance left for the state to fund.

Public School Support Agency Profile

Analyst: Hancock

IDAHO PUBLIC SCHOOL OPERATIONAL SUPPORT - FY 2006 FUND FLOW (Excludes Bond and Plant Facility funds)



Public School Support Agency Profile

Analyst: Hancock

Public Schools Activity/Performance Measures & Financial Information

Selected Measures (FY 2002-2003 -- Most recent available for personnel, salary & enrollment info.)

Local School District Certified Personnel	FY 2004	FY 2005	# Change	% Change
District Administration	375.08	370.12	(4.96)	(1.3%)
School Administration	724.10	715.89	(8.21)	(1.1%)
Student Services	1,272.12	1,277.83	5.71	0.4%
Instructional Services:				
Elementary Teachers	7,251.58	7,331.64	80.06	1.1%
Secondary Teachers	6,751.01	6,891.24	140.23	2.1%
Sub-total - Teachers	14,002.59	14,222.88	220.29	1.6%
Statewide Total (FTE)	16,373.89	16,586.72	212.83	1.3%

Certified Staff Total Salaries	FY 2004	FY 2005	# Change	% Change
Average Superintendent	\$82,909	\$84,510	\$1,601	1.9%
Average Assistant Superintendent	\$89,683	\$94,458	\$4,775	5.3%
Average Elementary Principal	\$66,889	\$67,932	\$1,043	1.6%
Average Secondary Principal	\$69,174	\$70,240	\$1,066	1.5%
Average Elementary Teacher	\$40,645	\$41,459	\$814	2.0%
Average Secondary Teacher	\$41,809	\$42,682	\$873	2.1%

Student Enrollment by Size of District	FY 2004	FY 2005	# Change	% Change
Over 5,000 Students (11 Districts)	129,899	129,756	(143)	(0.1%)
2,500 to 4,999 Students (14 Districts)	54,234	54,725	491	0.9%
1,000 to 2,499 Students (29 & 28 Districts)	45,093	42,501	(2,592)	(5.7%)
500 to 999 Students (19 & 20 Districts)	12,923	13,322	399	3.1%
Less than 500 Students (41 Districts)	9,888	9,725	(163)	(1.6%)
Charter Schools (NA/18)	NA	5,975	---	---
Statewide Total (FTE - 114 Districts)	252,037	256,004	3,967	1.6%

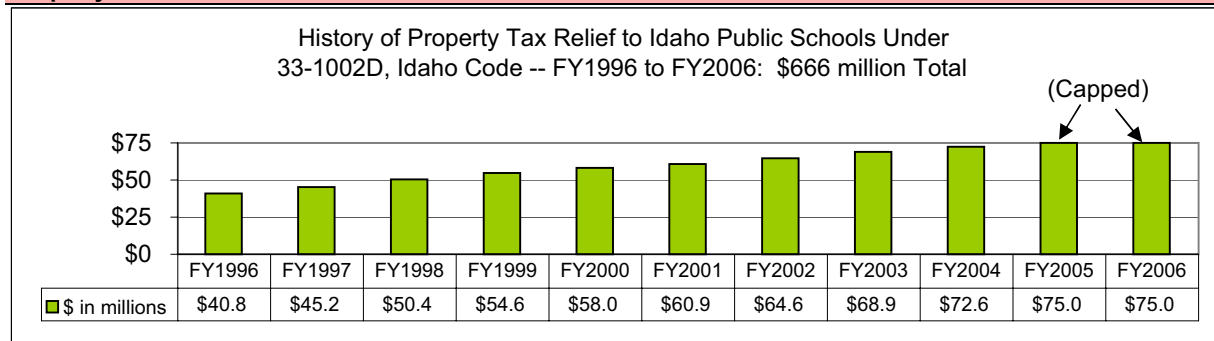
High School Dropout Rate (Actual dropouts per grade level)

01-02: 9th Grade-2.51% -- 10th Grade-3.73% -- 11th Grade-4.85% -- 12th Grade- 4.36%
02-03: 9th Grade-2.52% -- 10th Grade-3.83% -- 11th Grade-4.64% -- 12th Grade- 4.73%
03-04: 9th Grade-1.92% -- 10th Grade-3.10% -- 11th Grade-3.84% -- 12th Grade- 3.82%

03-04 Testing Information: Percent of Idaho students achieving ISAT proficiency

Reading: 4th Grade-87% -- 8th Grade-82% -- 10th Grade-85% **Language:** 4th Grade-83% -- 8th Grade-74% -- 10th Grade - 78% **Math:** 4th Grade:-90% -- 8th Grade-69% -- 10th Grade-70%

Property Tax Relief



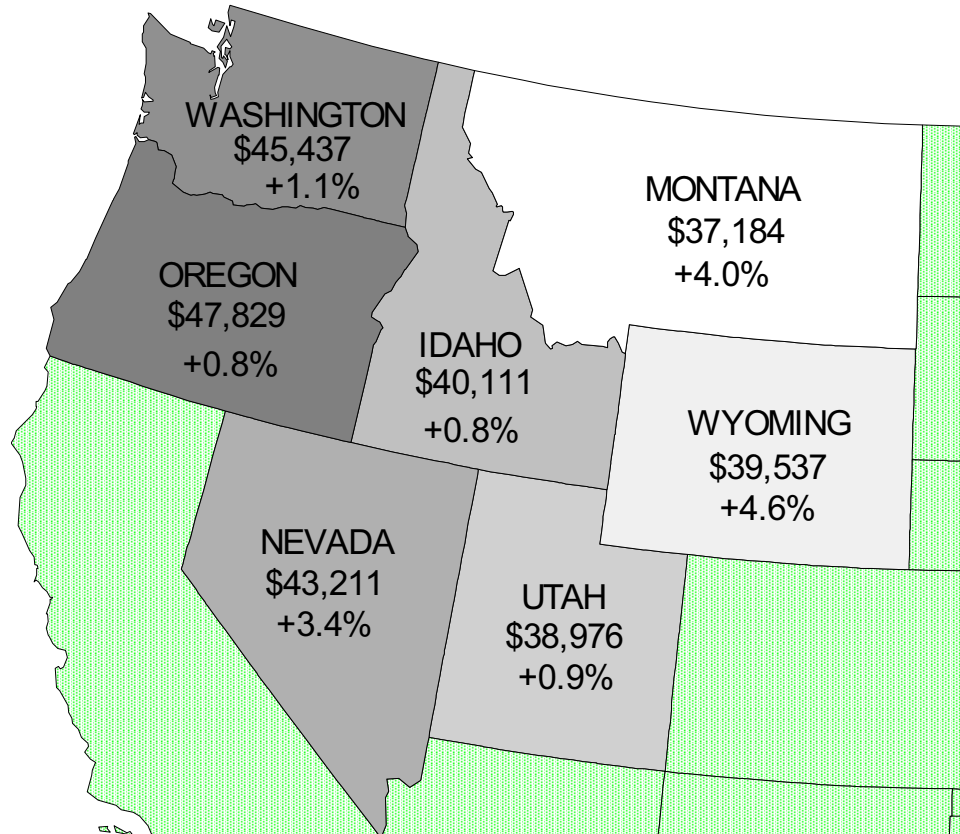
Public School Support

Agency Profile

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Regional Comparative Information on Average Teacher's Salaries: 2003-04

~includes percent change from prior year



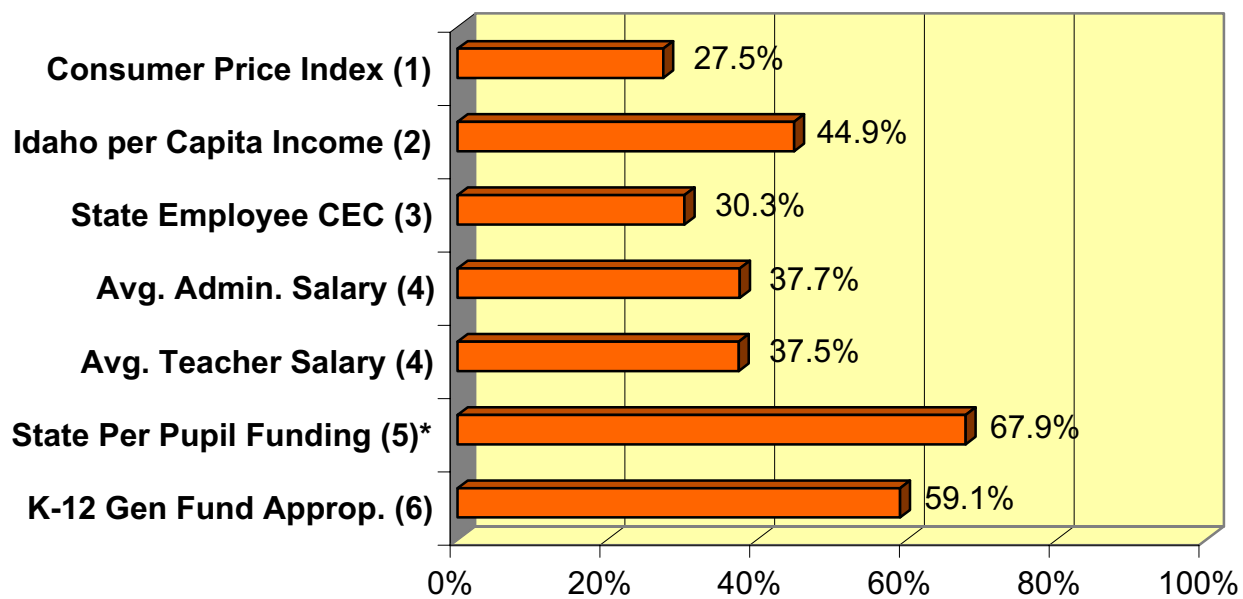
Source: American Federation of Teachers,
Average Teacher Salary in 2003-04, State Rankings

- Idaho does not have a mandatory statewide salary schedule, apart from a requirement that each full-time teacher be paid at least \$27,500/year. Salaries are determined at a local district-by-district level based on individual collective bargaining agreements. The state provides for a salary-based apportionment formula which is based on state base salary and staff allowance factors, enrollment (the number of school district support units), and the average education and experience (index) in each district. This determines what the state will fund, although districts may exceed this using local resources.

- Idaho utilizes a base salary for purposes of determining the salary-based apportionment on a statewide basis. To change the value of the apportionment, apart from enrollment (support units) changes, a change to the base salaries as established in Idaho Code, Section 33-1004E, is normally required. The FY 2006 Public Schools appropriation did not fund any increases in base salaries, although it did fund pay increases driven by the experience/education index. The appropriation also funded the minimum teacher salary of \$27,500.

Idaho Teacher Salaries *Comparisons & Indicators*

10-Year Percent Change (FY95 ~ FY05)



* FY94-FY04 is the most current available data

FY03/04 Selected Idaho Rankings (among 50 states)

Avg. Beginning Teacher Salary ⁷	44th
Avg. Teacher Salary ⁷	32nd
Avg. Teacher Salary as % of Private Sector Earnings ⁷	5th
% Change in Avg. Teacher Salary, 1994-2004 ⁷	3rd
FY 2002 Per Pupil Expenditures ⁸	45th

Sources: 1.) U.S. Dept. of Labor; 2.) Idaho Economic Forecast (DFM); 3.) Idaho Legislative Fiscal Report (LSO); 4.) Annual Statistical Report (ID Dept. of Ed.); 5.) Financial Summaries (ID Dept. of Ed.); 6.) Legislative Fiscal Report (LSO); 7.) American Federation of Teachers; 8.) Nat'l Center for Educ. Statistics.